



Commonwealth of Kentucky Public Protection Cabinet

Department of Financial Institutions

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FOR IMMEDIATE RELEASE

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NOTE TO EDITORS: Photo attached.

Kentucky Banks Included in 2018 National Report

DFI Joins Federal Reserve, Others in Releasing Findings from Community Bank Survey

FRANKFORT, Ky. (Oct. 4, 2018) - Kentucky bankers shared their insights on small business and other lending, banking services, mergers and acquisitions, management succession, financial technology, and more in a report published on Wednesday.

The Kentucky Department of Financial Institutions (DFI) joins the Conference of State Bank Supervisors (CSBS) and the Federal Reserve System as they release this annual report featuring the findings of a nationwide survey on community banking, along with state-by-state banker interviews.

The survey report, available on the conference website at www.communitybanking.org, provides a comprehensive view of trends in the community banking industry from the perspectives of bankers nationwide. Kentucky bankers were among the 521 community banks in 37 states that participated in the survey from April through July 2018.

"I'm pleased to have Kentucky represented within this report, which shows how vital community banks are to local and national economic growth and prosperity," said DFI Commissioner Charles Vice. "As the report indicates, Kentucky community bankers are experiencing challenges and opportunities similar to those faced by community bankers across the nation."

Complementing the national survey findings are "Five Questions for Five Bankers," summaries of qualitative interviews conducted by state bank supervisors in 28 states over the same three-month period. Questions addressed trends in industry consolidation,

supervision and regulation, differentiation among banks making small business loans, the threat of technological “disruption,” and managing cyber-risk.

This national survey of community bankers is part of the sixth annual Community Banking in the 21st Century research and policy conference at the Federal Reserve Bank of St. Louis. This annual research conference brings together community bankers, academics, policymakers, and bank regulators to discuss the latest research on community banking.

The first day of the conference featured a presentation by the winning case study team from Eastern Kentucky University (EKU). The 2018 Community Bank Case Study Competition focused on how bank management utilizes technology to streamline processes and better serve their customers.

April Perry, CEO and Chairman of the Board of Kentucky Farmers Bank in Ashland, Ky., attended the conference as Commissioner Vice’s guest. DFI selected Perry’s bank at random in a “golden ticket” drawing in which all Kentucky banks completing the survey/interviews were entered.

"I am pleased to represent Kentucky bankers as a guest of Commissioner Vice at the conference. Community banks are vital to small businesses and are the backbone of communities, especially in rural areas. As a graduate of Eastern Kentucky University (EKU), I was especially proud of the EKU team and thrilled to watch their winning case study presentation."

The EKU students completed a financial analysis comparing Lexington’s Central Bank to 371 peer banks using FDIC data online. The students prepared questions and completed one-on-one interviews with community bankers. The project culminated with production of a 10-minute video documenting how technology has changed and how a community bank is using technology to compete with national banks.

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The Community Banking in the 21st Century 2018 report is available online at www.communitybanking.org. That website also provides information, proceedings, research papers, and case studies from this year’s conference, as well as preceding conferences.

DFI, <http://kfi.ky.gov>, is an agency in the Public Protection Cabinet. For more than 100 years, it has supervised the financial services industry by examining, chartering, licensing and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI’s mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities.



Students and their faculty adviser from Eastern Kentucky University (EKU) present at the 2018 Community Bank Conference in St. Louis.